

TOTAL

0 123,276

3,663

3,763

(33,965)

(33,207)

4,250

734

33,286

(66,640)

0,003

83,843

(1,004,542)

(1,004,542)

1,135,733

1,135,733

114,216

500

\$ 114,716

3,643

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN ASSET OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)

In planning and performing my audit of the general purpose financial statements of the Village of Slaughter, Louisiana, for the year ended June 30, 1988, I obtained an understanding of the internal control structure.

With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgement, could adversely affect the Village's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

2. Finding, Cause and Effect:

The current record keeping method of the Village of Slaughter pays all expenses out of the General Fund checking account. Consequently, savings on the Street and Sidewalk Fund includes money that should be deposited into other fund savings accounts. This results in interest income going into the Street and Sidewalk Fund that should be deposited into the other funds.

Recommendation:

Funds owed to the Gas Fund by the Street and Sidewalk Fund should be transferred to the Gas Fund checking or savings account, which would permit earnings on those accounts to be properly reported in the Gas Fund.

Management's Response:

This procedure has been discussed with the Town Clerk, and a system has been developed whereby all of the

**VILLAGE OF ELAINEER
NOTES TO FINANCIAL STATEMENTS**

NOTE #0: INTERFUND RECEIVABLE AND PAYABLE BALANCES

	INTERFUND RECEIVABLES	INTERFUND PAYABLES
General Fund	\$ 19,000	
Street & Sidewalk Fund		\$ 343,331
Water Fund		1,433
Gas Fund	127,000	1,433
	\$ 146,000	\$ 346,207

NOTE #1: DEFERRED BENEFIT PENSION PLAN

Substantially all employees of the Village participate in the Municipal Employees' Retirement System ("MERS") cost-sharing, multiple employer public retirement system. The payroll for employees covered by MERS for the year ended June 30, 1990, was \$39,367; the Village's total payroll was \$107,664.

Generally all full-time employees are eligible to participate. The employees participating in the MERS may retire with full benefits at ages ranging from any age upon completing thirty years of creditable service to age sixty upon completing ten years of creditable service. The basic annual retirement benefit for substantially all members is equal to three percent of average compensation times the number of years of creditable service.

The average compensation is defined as the member's average annual earned compensation for the period of thirty-six consecutive months of employment during which the member's aggregate earned compensation was greatest. The system also provides death and disability benefits. Benefits are established by State statute.

Covered employees are required by State statute to contribute either 9.25% of their salary to the plan. The Village was required by the same statute to make contributions of 4.75 percent of the covered salaries during the year ended June 30, 1990.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present

VILLAGE OF SLACHTER
NOTES TO FINANCIAL STATEMENTS

NOTE #7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and employers. The Systems do not make separate measurements of assets and pension benefit obligation for individual employers.

The system issues an annual publicly available financial report which includes financial statements and required supplementary information for the system. That report can be obtained by contacting the Municipal Employee's Retirement System of Louisiana at 2702 Van Dook, Baton Rouge, Louisiana, 70805, or by calling (504) 325-4813.

NOTE #8: SEGMENTS OF ENTERPRISE ACTIVITIES

gas, and water services are provided by the Village and are financed by user charges. The significant financial data for the year ended June 30, 1988, for these services is as follows:

	<u>Gas</u>	<u>Water</u>	<u>Total</u>
Operating revenues	\$ 179,714	\$ 181,212	\$ 360,926
Operating expenses	147,783	68,539	216,322
Depreciation	760	3,821	4,581
Operating income (loss)	22,953	102,873	125,826
Net income (loss)	107,863	19,874	127,737
Property, plant and equipment additions		1,084,382	1,084,382
Revenue bonds and notes payable		1,282,600	1,282,600

NOTE #9: RESTRICTED ASSETS

In accordance with the indenture governing the water revenue bonds, cash is periodically deposited into accounts administered by a trustee bank. These bonds are a direct liability of the Water Utility Fund, and are serviced by the earnings from the Fund. Deposits are made to these trust accounts in accordance with the following requirements:

VILLAGE OF SLAUGHTER
NOTES TO FINANCIAL STATEMENTS

NOTE #9: RESTRICTED ASSETS...CONTINUED

1. The "water revenue bond and interest sinking fund" requires that sufficient cash be accumulated to meet the annual installment of bond principle and interest which becomes due during the year.
2. The "water revenue bond reserve fund" is supplemental to the account referred to in (1) above. The minimum amount to be deposited into this account is 5% of the amounts obligated to be deposited into the sinking fund account, and shall continue monthly until there is on deposit a sum equal to \$80,000, or the highest combined principle and interest requirement in any succeeding fiscal year, according to the bond agreement.
3. The "water depreciation and contingency fund" requires a monthly payment of \$400.

NOTE #10: DUE FROM OTHER GOVERNMENTAL AGENCIES

Accounts due from other governmental agencies at June 30, 1996, consist of the following:

East Feliciana Parish Police Jury-Sales Tax	\$ 1,301
State of Louisiana - Bear Tax Revenue	827
	<u>\$ 2,128</u>

NOTE #11: DEDICATED REVENUES

Streets and Sidewalks Special Revenue Fund

The Village receives 3.5101% percent of East Feliciana Parish sales tax collections. These proceeds are dedicated to the general maintenance and repairs of streets and sidewalks in the Village of Slaughter. The Village recognized \$21,711 of sales tax proceeds during the year ended June 30, 1996.

NOTE #12: CASH AND INVESTMENTS

At June 30, 1996, the carrying amounts of the Village's deposits were as follows:

VILLAGE OF SLAUGHTER
NOTES TO FINANCIAL STATEMENTS

NOTE #13: CASH AND INVESTMENTS... CONTINUED.

Demand Deposit Accounts / Savings Accounts	\$ 317,249
Certificates of Deposit	48,038
	<u>\$ 365,287</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by either Federal deposit insurance or the pledge of securities owned by a fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. At June 30, 1995, the Village had \$365,287 in deposits (collected bank balances). Of these bank balances, \$286,938 was covered by Federal deposit insurance and \$157,349 was secured by collateral owned by the fiscal agent bank. The market value of the collateral was \$188,383.

NOTE #14: FUND PERIOD ADJUSTMENTS

Certain previously unrecognized assets and expenses were retroactively recognized this year. This resulted in the following changes to fund balance and retained earnings of the various funds as of June 30, 1995 and the related statements of revenues and expenditures.

General Fund - Fund Balance

As previously reported, June 30, 1995:	\$ 314,524
Unrecorded accrued Beer & Franchise Tax Revenue	7,333
	<u>\$ 321,857</u>

General Fund - Excess Revenues Over Expenditures

Unrecorded accrued Beer & Franchise Tax Revenue	\$ 7,333
---	----------

Street and Sidewalk - Fund Balance

As previously reported	\$ 1,839
Unrecorded accrued Sales Tax revenue	2,381
	<u>\$ 4,220</u>

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAMS
(CONCLUDED)

In my opinion, Village of Slaughter, Louisiana, complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; (special tests and provisions, if any); claims for advances and reimbursements; and accounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended June 30, 1986.

This report is intended for the information of the Board of Aldermen, management of the Village of Slaughter, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in dark ink, appearing to be 'J. P. ...', is written in the lower right quadrant of the page.

**VILLAGE OF SLAMETER
NOTES TO FINANCIAL STATEMENTS**

NOTE #7: CHANGES IN LONG-TERM DEBT, CONTINUED

The above bonds were issued under a commitment letter issued by Rural Economic and Community Development (formerly Farmers Home Administration) ("RECD"). These bonds, including interest of \$22,888 at the rate of 8.44, were paid off by RECD on June 14, 1994.

Rural Economic and Community Development

Water Revenue Bonds issued to date	\$ 1,593,400
Bonds retired	<u> 0</u>
Bonds Payable at June 30, 1994	<u>\$ 1,593,400</u>

The bonds are payable as follows:

Total bonds authorized \$1,480,000 dated June 14, 1994; due in monthly installments of \$7,930, beginning in July, 1997. Interest only in the amount of \$79,930 is due June 14, 1997. The bonds bear interest at the rate of 8-3/8%, and will mature June 14, 2020.

The annual requirements to amortize all outstanding Water Revenue Bonds as of June 30, 1994, including interest payments of \$2,508,224 are as follows:

Year Ending June 30, _____	Water Revenue Bonds
1997	\$ 79,930
1998	90,931
1999	99,931
2000	99,931
2001	99,931
water years	3,548,317
	<u>\$ 2,508,224</u>

As part of the Bond agreement with Rural Economic and Community Development, the Village has agreed to comply with certain covenants. These primarily consist of reporting and audit requirements, insurance coverage, restrictions on additional debt, maintenance of various deposit accounts, and other administrative requirements. The Village has not complied with some of the these

RELEASE OF SPONSOR
COMBINING STATEMENTS OF CASH FLOWS
PROPRIETARY FUND TYPE (CENTRELINK FUND)
YEAR ENDED JUNE 30, 1978

	MARCH	JUNE
Cash Flows From Operating Activities		
Net income	\$ 104,992	\$ 10,324
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	2,921	750
Bad debts	2,904	889
(Increase) decrease in current assets:		
Accounts receivable	(6,946)	(3,228)
Due from other funds	500	(20,707)
Increase (decrease) in current liabilities:		
Accounts payable	4,067	889
Accrued vacation	367	367
Accrued interest payable	22,284	0
Due to other funds	(66,598)	1,188
Customer deposits	880	4,822
Net Cash Provided by Operating Activities	62,342	0
Cash Flows From Investing Activities		
Additions to fixed assets	(11,884,842)	0
Net Cash Provided (Used) by Investing Activities	(11,884,842)	0
Cash Flows From Financing Activities		
Proceeds from long-term debt	1,328,712	0
Net Cash Provided by Financing Activities	1,328,712	0
Net Increase in Cash	314,212	0
Cash at Beginning of Year	580	0
Cash at End of Year	\$ 314,212	\$ 0
Supplemental Disclosure of Cash Flow Information		
Cash paid during the period for:		
Interest	1,487	360

The accompanying notes are an integral part of these statements.

**VILLAGE OF SLAUGHTER
NOTES TO FINANCIAL STATEMENTS**

NOTE #2: FIXED ASSETS

A summary of changes in general fixed assets follows:

	06/30/90	Additions	Deletions	06/30/91
Land	\$ 16,242			\$ 16,242
Buildings	41,253			41,253
Equipment	282,428			282,428
Totals	\$339,923			\$ 339,923

A summary of proprietary fund type property, plant, and equipment at June 30, 1990, follows:

	06/30/90	Additions	Deletions	06/30/90
GAS FUNDS				
Right-Of-Way	\$ 1,500			\$ 1,500
Distribution System	30,000			30,000
	\$ 31,500			\$ 31,500
WATER FUNDS				
Distribution System	\$ 316,437			\$ 316,437
Construction Program	1,084,382			1,084,382
	\$ 1,400,819			\$ 1,400,819

In accordance with Financial Accounting Standards Board Statement No. 82, the Village capitalizes interest in connection with construction in progress for Proprietary Fund types. \$22,500 was capitalized during the year ended June 30, 1990.

The Proprietary funds have old distribution systems that are not reported or depreciated on the Proprietary Fund financial statements. Due to the age of these systems, this omission is immaterial to the financial statements.

NOTE #3: CHANGES IN LONG-TERM DEBT

The following is a summary of the Village's bond transactions during the year ended June 30, 1990:

	Amount
Treasurer Bank, National Association	
Bond Anticipation Notes issued	\$ 1,392,400
Bonds Retired	1,392,400
Bonds Payable at June 30, 1990	\$ _____

SUPPLEMENTARY INFORMATION

VILLAGE OF ELLENBURG
SCHEDULE OF PRINCIPAL OFFICIALS AND SALARIES
YEAR ENDED JUNE 30, 1998

	Year Ended June 30, 1998
Jerry H. Boyd, Mayor	\$ 4,800
Joyce Zachary, Alderman	400
Lisa Selt, Alderman	400
Charles Brown, Alderman	400
	<u>\$ 6,200</u>

VILLAGE OF ELAUCHIE
GENERAL FUND
GENERAL GOVERNMENT EXPENDITURES
YEAR ENDED JUNE 30, 1928

	<u>AMOUNT</u>
GENERAL GOVERNMENT EXPENDITURES	
Dues	\$ 311
Election expenses	890
Insurance	9,341
Health insurance	3,623
Legal	1,476
Maintenance & repairs	7,310
Materials & supplies	344
Miscellaneous	3,277
Municipal employees' retirement	409
Office expenses	1,707
Payroll taxes	349
Printing	1,273
Professional services	800
Truck expenses	1,368
Telephone	749
Utilities	3,683
Wages and salaries	<u>29,652</u>
Total	<u>\$ 88,374</u>

VILLAGE OF SLAUGHTER
 GENERAL FUND
 PUBLIC SAFETY EXPENDITURES
 YEAR ENDED JUNE 30, 1936

	AMOUNT
GENERAL FUND - PUBLIC SAFETY EXPENDITURES	
Public Safety	
Police:	
Salaries	\$ 4,880
Payroll taxes	324
Gas, oil & auto expenses	1,825
Utilities	2,452
Telephone	892
Repairs & maintenance	412
Insurance	318
Office supplies	78
Miscellaneous	364
Materials & supplies	600
Capital outlay	2,228
Total Police	18,778
Fire:	
Salaries	4,800
Payroll taxes	367
Gas, oil & truck expenses	373
Utilities	2,453
Telephone	1,918
Repairs & maintenance	58
Insurance	8,887
Office supplies	8
Miscellaneous	44
Materials & supplies	525
Capital outlay	2,221
Total Fire	22,816
Total Public Safety	\$ 41,594

VILLAGE OF SLAUGHTER
SPECIAL REVENUE FUND
STREET AND SIDEWALK FUND
PUBLIC WORKS EXPENDITURES
YEAR ENDED JUNE 30, 1979

	<u>AMOUNT</u>
PUBLIC WORKS EXPENDITURES	
Salary expense	\$ 27,830
Payroll taxes	3,230
Retirement contributions	800
Health insurance	4,453
Gas, oil and truck expenses	984
Utilities	7,884
Repairs & maintenance	6,407
Professional services	900
Insurance	7,433
office supplies	153
materials and supplies	<u>1,353</u>
Total Expenditures	<u>\$ 60,127</u>

September 26, 1996

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and
Members of the Board of Aldermen
Village of Slaughter, Louisiana

I have audited the general purpose financial statements of the
Village of Slaughter

as of and for the year ended June 30, 1996 and have issued my
report thereon dated September 26, 1996.

I conducted my audit in accordance with generally accepted
auditing standards, and Government Auditing Standards, issued by
the Comptroller General of the United States. Those standards
require that I plan and perform the audit to obtain reasonable
assurance about whether the general purpose financial statements
are free of material misstatement.

The management of Village of Slaughter, Louisiana, is
responsible for establishing and maintaining an internal control
structure. In fulfilling this responsibility, estimates and
judgments by management are required to assess the expected
benefits and related costs of internal control structure policies
and procedures. The objectives of an internal control structure
are to provide management with reasonable, but not absolute,
assurance that assets are safeguarded against loss from
unauthorized use or disposition, and that transactions are executed
in accordance with management's authorization and recorded properly
to permit the preparation of financial statements in accordance
with generally accepted accounting principles. Because of inherent
limitations in any internal control structure, errors or
irregularities may nevertheless occur and not be detected. Also,
projection of any evaluation of the structure to future periods is
subject to the risk that procedures may become inadequate because
of changes in conditions or that the effectiveness of the design
and operation of policies and procedures may deteriorate.

VILLAGE OF SLAUGHTER
COMBINING BALANCE SHEET
ENTERPRISE FUND
JUNE 30, 2025

	<u>MAIER</u>	<u>GRS</u>	<u>TOTAL</u>
ASSETS			
Cash	\$ 114,419		\$ 114,419
Cash - restricted	97		97
Accounts receivable	19,981	\$ 16,446	36,427
Due from other funds		127,009	127,009
Fixed assets, (net)	<u>1,187,800</u>	<u>29,250</u>	<u>1,217,050</u>
Total Assets	<u>1,332,177</u>	<u>171,965</u>	<u>1,504,142</u>
LIABILITIES			
Accounts payable	9,299	3,440	12,739
Due to other funds	1,433	1,196	2,629
Accrued vacation	167	167	334
Water deposits	5,602	7,040	12,642
Accrued interest payable	22,294		22,294
Note payable	<u>1,192,400</u>		<u>1,192,400</u>
Total Liabilities	<u>1,223,495</u>	<u>11,743</u>	<u>1,235,238</u>
FUND EQUITY			
Retained earnings:			
Unreserved	<u>102,702</u>	<u>159,982</u>	<u>262,684</u>
Total Equity	<u>102,702</u>	<u>159,982</u>	<u>262,684</u>
Total Liabilities and Equity	<u>\$1,332,177</u>	<u>\$ 171,965</u>	<u>\$1,504,142</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF SLAUGHTER
 COMBINED STATEMENTS OF CASH FLOWS
 PROPRIETARY FUND TYPE (INTERGOVERN FUND)
 YEAR ENDED JUNE 30, 1988

	<u>TOTAL</u>
<u>Cash Flows From Operating Activities</u>	
Net Income	\$ 100,276
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	3,683
Bad debts	3,763
(increase) decrease in current assets:	
Accounts receivable	(12,065)
Due from other funds	(23,287)
Increase (decrease) in current liabilities:	
Accounts payable	4,888
Accrued wages	734
Accrued interest payable	33,286
Due to other funds	(65,440)
customer deposits	5,081
<u>Net Cash Provided by Operating Activities</u>	<u>43,385</u>
<u>Cash Flows From Investing Activities</u>	
Additions to fixed assets	(41,384,582)
<u>Net Cash Provided (Used) by Investing Activities</u>	<u>(41,384,582)</u>
<u>Cash Flows From Financing Activities</u>	
Proceeds from long-term debt	1,138,743
<u>Net Cash Provided by Financing Activities</u>	<u>1,138,743</u>
<u>Net Increase In Cash</u>	114,516
Cash at Beginning of Year	508
<u>Cash at End of Year</u>	<u>\$ 114,516</u>
<u>Supplemental Disclosure of Cash Flow Information</u>	
cash paid during the period for:	
Interest	\$ 2,462

VILLAGE OF SLAUGHTER
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PHIL T. GRAHAM
CERTIFIED PUBLIC ACCOUNTANT

3111 GOODWOOD BOULEVARD, SUITE F • BAYON BOUGE, LOUISIANA 70805
TELEPHONE: 824-9228 4888 FAX: 824-9228 4886

September 24, 1998

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Board of Aldermen
Village of Slaughter, Louisiana

I have audited the accompanying general purpose financial statements of the

Village of Slaughter

as of and for the year ended June 30, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the Village of Slaughter's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of State and Local Governments." These standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Village of Slaughter, as of June 30, 1998, and the results of its operations and cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The

INDEPENDENT AUDITOR'S REPORT
(CONCLUDED)

combining and account group financial statements and schedules listed in the table of contents are presented for the purpose of additional analysis, and are not a required part of the general purpose financial statements of the Village of Slaughter. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, I have issued a report dated September 24, 1996, on my consideration of the Village of Slaughter's internal control structure, and a report dated September 24, 1996, on its compliance with laws and regulations.

A handwritten signature in dark ink, appearing to read "R. L. 7/96", is written in the lower right quadrant of the page.

VILLAGE OF SLAUGHTER
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1998

	<u>GOVERNMENTAL FUND TYPE</u>	
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>
ASSETS		
Cash	\$ 81,774	\$ 120,799
Cash - restricted		
Certificates of deposit	40,800	
Accounts receivable	8,792	1,301
Due from other funds	18,826	
General fixed assets		
Fixed assets (net)		
Amount to be provided for long-term debt		
Total Assets	<u>149,192</u>	<u>122,100</u>
LIABILITIES		
Accounts payable	7,900	1,000
Due to other funds		181,320
Accrued vacation	331	478
Water deposits		
accrued interest payable		
Note payable - non-current		
Capital lease obligations		
Other liabilities		
Total Liabilities	<u>7,421</u>	<u>182,798</u>
FUND EQUITY		
Investments in general fixed assets		
Retained earnings:		
Unreserved		
Fund balances:		
Unreserved - un-designated	141,971	
Unreserved + designated for streets and sidewalks		122,857
Total Fund Equity	<u>141,971</u>	<u>122,857</u>
Total Liabilities and Fund Equity	<u>\$ 149,288</u>	<u>\$ 123,249</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF SLAUGHTER
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 1994

	GENERAL	SPECIAL RESERVE	TOTAL (MEMORANDUM ONLY) 1994
REVENUES			
Taxes	\$ 32,399	\$ 32,733	\$ 65,132
Licenses and Permits	72,159		72,159
Fines and forfeitures	888		888
Interest	3,773	3,324	7,097
Other	852	888	1,740
Total revenues	<u>113,169</u>	<u>39,945</u>	<u>153,114</u>
EXPENDITURES			
Current operating:			
General government	84,774		84,774
Public safety	38,883		38,883
Public works		80,179	80,179
Debt services:			
Principal retirement		3,133	3,133
Interest		738	738
Total expenditures	<u>123,657</u>	<u>84,042</u>	<u>207,699</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	19,512	(44,097)	(24,585)
PRIOE PERIOD ADJUSTMENT	7,973	3,353	11,326
FUND BALANCE			
Beginning of year	<u>121,883</u>	<u>4,122</u>	<u>126,005</u>
End of year	<u>\$ 141,395</u>	<u>\$ (39,974)</u>	<u>\$ 101,421</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF SLAUGHTER
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (100% BASIS) AND ACTUAL
GENERAL FUND AND SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2024

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes	\$ 30,500	\$ 30,395	\$ 1,105
Licenses and permits	47,000	32,159	14,841
Fines and forfeitures	3,000	800	(2,200)
Interest	3,000	1,772	(1,228)
Other	7,000	882	(6,118)
Total revenues	<u>110,500</u>	<u>106,112</u>	<u>(4,388)</u>
EXPENDITURES			
Current Operating:			
General government	84,700	86,734	(2,034)
Public safety	34,400	38,983	(4,583)
Public works			
Debt Service:			
Principal retirement			
Interest			
Total expenditures	<u>119,100</u>	<u>125,717</u>	<u>(6,617)</u>
EXCESS OF REVENUE OVER	EXPENDITURES	12,750	(8,509)
PRIOR PERIOD ADJUSTMENT	0	7,333	7,333
FUND BALANCE			
Beginning of year	<u>121,881</u>	<u>121,881</u>	<u> </u>
End of year	<u>\$ 144,631</u>	<u>\$ 141,921</u>	<u>\$ (2,710)</u>

The accompanying notes are an integral part of this statement.

**VILLAGE OF SLAUGHTER
NOTES TO FINANCIAL STATEMENTS**

NOTE #4: CAPITAL LEASES

contracts; however, waivers have been obtained regarding these contracts.

The Village entered into a capital lease during the fiscal year ended June 30, 1991, for the portion of a John Deere Backhoe loader that was not paid at acquisition. The leasehold is recorded in the general fixed asset group at its capitalized cost of \$17,421. The Village also signed a capital lease agreement for this amount, which is included in the general long-term debt account group.

Future minimum lease payments under the above mentioned capital lease are as follows:

Year Ending <u>June 30,</u>	<u>Amount</u>
1991	\$ 10,741
1992	10,741
1993	5,328
	<u>\$ 26,810</u>
Less amount representing interest, assuming an implicit effective rate of 7.25%	<u>3,108</u>
Present value of future minimum lease payments	<u>\$ 23,702</u>

NOTE #5: AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property on February 28 of each year. The taxes are levied and actually billed to the taxpayers in November. Billed taxes become delinquent on January 2 of the following calendar year.

The Village bills and collects its own property taxes using the assessed values determined by the tax assessor of East Feliciana Parish. For the year ended June 30, 1991, taxes of 4.76 mills were levied on property with assessed valuations totaling \$3,353,360, and were dedicated for general purposes.

Total taxes levied were \$16,961 and \$47 was still uncollected at June 30, 1991.

VILLAGE OF SLAUGHTER
COMBINED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES
IN RETAINED EARNINGS - PROPRIETARY FUND TYPE (ENTERPRISE FUND)
YEAR ENDED JUNE 30, 1998

	ENTERPRISE FUND
Operating Revenues	
Gas sales	\$ 168,843
Water sales	172,828
Installation fees	1,920
Other income	8,157
Total operating revenues	351,748
Operating Expenses	
Salaries and wages	43,093
Depreciation	3,651
Fees	601
Employees' retirement expenses	208
Gas purchases	82,088
Insurance	21,238
Legal and professional	1,868
Maintenance, materials, and supplies	48,000
Miscellaneous	811
Printing, stationery, and supplies	1,879
Payroll taxes	4,848
Water pump charge	149
Telephone	257
Truck expense	1,638
Uncollectible accounts	3,763
Utilities	7,026
Total operating expenses	218,206
Operating Income	133,542
Non-operating Revenues (Expenses)	
Debt service-principal	(8,248)
Interest expense	(2,448)
Net non-operating revenues (expenses)	(10,696)
Net Income	122,846
Prior Period Adjustment	14,568
Retained earnings at beginning of year	121,887
Retained earnings at end of year	\$ 261,021

VILLAGE OF SLAUGHTER
COMBINED STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS - INCORPORATING FUND TYPE (INTERFUND FUND)
YEAR ENDED JUNE 30, 1992

	WATER	GAS	TOTAL
Operating Revenues			
Gas sales		\$ 168,843	\$ 168,843
Water sales	\$ 172,828		172,828
Installation fees	1,128	800	1,928
Other income	7,888	1,851	9,739
Total operating revenues	<u>181,844</u>	<u>171,504</u>	<u>353,348</u>
Operating Expenses			
Salaries and wages	21,848	21,545	43,393
Depreciation	3,931	788	4,719
Deer	190	413	603
Employees' retirement expenses	488	488	976
Gas purchases		82,084	82,084
Insurance	12,009	9,325	21,334
Legal and professional	668	900	1,568
Maintenance, materials, and supplies	18,835	27,428	46,263
Miscellaneous	187	784	971
Printing, stationery, and supplies	1,051	608	1,659
Payroll taxes	1,275	1,571	2,846
Water pump charge	188		188
Telephone	388	379	767
Truck expense	173	857	1,030
Uncollectible accounts	2,804	859	3,663
Utilities	8,400	838	9,238
Total operating expenses	<u>71,850</u>	<u>148,512</u>	<u>220,362</u>
Operating Income	<u>109,994</u>	<u>22,992</u>	<u>132,986</u>
Non-operating Revenues (Expenses)			
Debt service—principal	(7,120)	(5,120)	(12,240)
Interest expense	(1,687)	(738)	(2,425)
Net non-operating revenues (expenses)	<u>(8,807)</u>	<u>(5,858)</u>	<u>(14,665)</u>
Net Income	<u>101,187</u>	<u>17,134</u>	<u>118,321</u>
Prior Period Adjustment		14,548	14,548
Retained earnings at beginning of year	<u>(1,242)</u>	<u>127,828</u>	<u>126,586</u>
Retained earnings at end of year	<u>\$ 101,187</u>	<u>\$ 142,376</u>	<u>\$ 243,563</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF SLAUGHTER
NOTES TO FINANCIAL STATEMENTS

NOTE #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Slaughter, Louisiana was incorporated April 19, 1963, and is administered by a mayor and five trustees. The Village provides the following services as authorized by its charter: public safety, highways and streets, sanitation, recreation, public improvements, and general administrative services.

The accounting policies of the Village of Slaughter conform to generally accepted accounting principles as applicable to governmental units on a consistent basis between periods. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:517 and to the guides set forth in the Louisiana Governmental Accounting Guide and to the industry audit guide, "Audits of State and Local Governmental Units," published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies and practices:

Financial Reporting Entity

This report includes all funds and account groups which are controlled by or dependent upon the Village's executive and legislative branches (the Mayor and the Board of Aldermen). Control by or dependence upon the Village was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

Fund Accounting

The accounts of the Village are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in

VILLAGE OF SLINGERHES
NOTES TO FINANCIAL STATEMENTS

NOTE #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

this report, into three generic fund types and two broad fund categories as follows:

Governmental Fund Types

General Fund - The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in other funds.

Special Revenue Funds - The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The Street and Sidewalk Fund is the only special revenue fund of the Village.

Proprietary Fund Types

Enterprise Fund - The Enterprise Fund is used to account for operations, (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fixed Assets and Long-term Liabilities:

The accounting and reporting treatment applied to the fixed assets and long-term liabilities is determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations

VILLAGE OF SLAUGHTER
NOTES TO FINANCIAL STATEMENTS

NOTE #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES. (CONTINUED)

General fixed assets are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased. The Village has not capitalized public domain ("infrastructure") fixed assets which consist of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. These assets are immovable and of value only to the Village; therefore, the need for cumulative accountability is not significant. No depreciation has been provided on general fixed assets, nor has interest been capitalized.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

The proprietary fund type operations are accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets.

Depreciation on all exhaustible fixed assets used by the Proprietary Fund will be charged as an expense against their operations as the assets are placed in service. Depreciation will be provided over the assets' estimated useful lives using the straight-line method. Assets that are currently reported as construction in progress is as follows:

Distribution System	40 years
---------------------	----------

Village of Slaughter also has an old distribution system for both the water and gas systems that are not reported or depreciated on the financial statements. Due to the age of these two systems, this omission is immaterial to the financial statements.

All material fixed assets are stated at historical cost.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures

VILLAGE OF SLAUGHTER
NOTES TO FINANCIAL STATEMENTS

NOTE #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

or expenses are recognized in the accounts reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental fund types are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Property and sales taxes, interest revenue and various intergovernmental revenues are susceptible to accrual. Fines, licenses and permits are not susceptible to accrual because they are generally not measurable until received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on long-term debt which is recognized when due.

The proprietary fund is accounted for using the accrual basis of accounting. The revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Accounts Receivable

Uncollectible accounts due from customers for utility services are recognized as bad debts through the establishment of an allowance for uncollectible accounts at the time information becomes available which would indicate the uncollectability of the particular receivable. The allowance for uncollectible accounts was \$3,604 for the Water Fund and \$1,731 for the Gas Fund.

Budget and Budgetary Accounting

The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

1. A proposed budget is prepared and submitted to the Mayor and Board of Aldermen prior to the beginning of each fiscal year.

VILLAGE OF SLAUGHTER
NOTES TO FINANCIAL STATEMENTS

NOTE #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. The proposed budget is published in the official journal and made available for public inspection. A public hearing is called to obtain taxpayer comments.
3. The budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
4. Budgetary amendments involving the transfer of funds from one Department, program, or function to another or involving increases in expenditures resulting from revenues exceeding amount estimated require approval from the Board of Aldermen.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. Budgets for the General, Special Revenue, and Proprietary funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. The level of budgetary control is total appropriations. Budgeted amounts are as originally adopted, or as amended by the Board. Once approved, the Village Council can amend a legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Operating Transfers In and Out

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the transfers are accounted for through the various due from and due to accounts.

Accumulated Unpaid Vacation

Employees earn vacation and sick leave at various rates depending upon length of employment. Accrued but unused vacation as of June 30, 1988 for all employees of the Village was \$1,529.

**VILLAGE OF SLAUGHTER
NOTES TO FINANCIAL STATEMENTS**

NOTE #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES. (CONTINUED)

Total Columns on Combined Statements - Overview

Total columns on the combined statements - overview are captioned Memorandum only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Since interfund eliminations have not been made in the aggregation of this data, such data is not comparable to a consolidation.

Encumbrances

Encumbrances accounting, under which contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Village.

Cash Flows

For purposes of the statement of cash flows, the Proprietary Fund considers all highly liquid investments (including restricted assets) with original maturities of twelve months or less to be cash equivalents.

Reclassification

Certain 1995 balances have been reclassified to conform with the 1996 financial statement presentation.

Cash

Cash includes demand deposit accounts and interest bearing demand deposit accounts. Under State law, the Village may deposit funds in demand deposit accounts, interest-bearing demand deposit accounts, money market accounts, or time certificates of deposit with State banks organized under Louisiana law and national banks having principal offices in Louisiana.

SPECIAL REVENUE FUND

<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
\$ 28,800	\$ 31,731	\$ 3,731
608	3,324	1,724
<u>1,000</u>	<u>800</u>	<u>(200)</u>
<u>29,808</u>	<u>34,855</u>	<u>5,258</u>
87,350	88,178	7,171
9,800	3,123	6,677
	<u>725</u>	<u>(250)</u>
<u>97,150</u>	<u>91,826</u>	<u>5,324</u>
(44,750)	(29,302)	17,548
0	2,353	2,353
<u>4,150</u>	<u>4,152</u>	<u>2</u>
<u>\$ (42,550)</u>	<u>\$ (27,851)</u>	<u>\$ 14,700</u>

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LEGISLATIVE DEPARTMENT

VILLAGE OF SWAUGHTER, LOUISIANA
GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1936

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: Feb. 27

VILLAGE OF SLAUGHTER
NOTES TO FINANCIAL STATEMENTS

NOTE #13: PRIOR PERIOD ADJUSTMENTS

Street and Sidewalk Fund - Excess Revenues Over Expenditures

Unrecorded Accrued Sales Tax Revenues	\$	2,353
---------------------------------------	----	-------

Gas Fund - Retained Earnings

As previously reported	\$	127,890
Reclassification of customer deposits		11,800
Reclassification of fund balance		4,168
Record prior year depreciation expense		<u>(1,800)</u>
As adjusted		<u>\$ 142,058</u>

Gas Fund - Excess Revenues Over Expenses

Unrecorded prior year depreciation	\$	(1,800)
------------------------------------	----	---------

NOTE #14: LITIGATION

At June 30, 1986, the Village of Slaughter was involved in a lawsuit concerning an Alcohol license. The Village's legal advisor is unable to estimate the ultimate resolution of this matter.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)

activity of each individual fund will be accounted for within the fund itself.

Also, a procedure has been developed for transfer of money owed to the Gas Fund into the Gas Fund's cash accounts.

II. Finding, Cause and Effect:

Customers who choose to pay their utility bills in person are given the stub of their bill which has been marked "paid." However, if a customer does not present his/her utility bill with the payment, he is given an unnumbered receipt. Use of unnumbered receipts could result in loss of internal control.

Recommendation:

All payments recorded by the Village of Slaughter should be supported by a pre-numbered receipt. A three part receipt could be used which would allow a copy for the customer, a copy to be retained with the daily work to support the deposit, and a third copy could be retained in a receipt book to assist with accounting for all receipts in numerical order. This would strengthen control over payments made to the Village of Slaughter.

Management's Response:

The Town Clerk has implemented a procedure where all receipts are now issued utilizing a pre-numbered receipt.

III. Finding, Cause and Effect:

The Town clerk has been granted authority to pay certain routine bills that are received after the monthly meeting without Board approval. These bills are generally routine in nature; however, it is not documented in the minutes that the Board has been advised of these payments.

Recommendation:

The Village of Slaughter may continue its practice of paying these routine bills on a monthly basis; however, they should be listed on a report submitted at each

**VILLAGE OF SLAUGHTER
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PHIL T. GRAHAM
CERTIFIED PUBLIC ACCOUNTANT

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TELEPHONE: 804/828-4000 FAX: 804/828-8888

September 26, 1988

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

The Honorable Mayor and
Members of the Board of Aldermen
Village of Slaughter
Slaughter, Louisiana

I have audited the general purpose financial statements of Village of Slaughter, Louisiana, as of and for the year ended June 30, 1988, and have issued my report thereon dated September 26, 1988.

I have also audited Village of Slaughter, Louisiana's compliance with the requirements governing types of services allowed or unallowed; eligibility, matching, level of effort, or earmarking; reporting; special tests and provisions, if any; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1988. The management of Village of Slaughter, Louisiana, is responsible for the Village's compliance with those requirements. My responsibility is to express an opinion based on my audit.

I conducted my audit of compliance with those requirements in accordance with generally accepted auditing standards: Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-134, Audits of State and Local Governments. Those standards and OMB Circular A-134 require that I plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about Village of Slaughter, Louisiana's compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

The results of my audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to above.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH THE GENERAL REQUIREMENTS APPLICABLE TO
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

This report is intended for the information of the Mayor, the Board of Aldermen, and management of the Village of Slaughter, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in dark ink, appearing to be 'J. H. ...', is written in a cursive style on the right side of the page.

September 26, 1996

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH THE GENERAL REQUIREMENTS APPLICABLE TO
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

The Honorable Mayor and
Members of the Board of Aldermen
Village of Slaughter
Slaughter, Louisiana

I have audited the general purpose financial statements of Village of Slaughter, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated September 26, 1996.

I have applied procedures to test Village of Slaughter's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance for the year ended June 30, 1996: Political Activity, Civil Rights, Cash Management, Federal Financial Reports, Allowable Costs/Cost Principles, Drug-Free Workplace.

My procedures were limited to the applicable procedures described in the office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Village of Slaughter's compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that Village of Slaughter had not complied, in all material respects, with those requirements. Also, the results of my procedures did not disclose any immaterial instances of noncompliance with those requirements.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL STRUCTURES USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE PROGRAMS
(CONTINUED)

For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and I assessed control risk.

During the year ended June 30, 1998, Village of Slaughter, Louisiana, expended 100 percent of its total federal financial assistance under major federal financial assistance programs.

I performed tests of controls, as required by OMB Circular A-130, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the Village of Slaughter, Louisiana's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

My consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the Mayor, the Board of Aldermen, and management of the Village of Slaughter, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL STRUCTURE USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE PROGRAMS
(CONTINUED)**

structure policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated September 26, 1994.

The management of Village of Slaughter, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting Controls

1. Cash Disbursements

Administrative Controls

1. Political Activity
2. Civil Rights
3. Federal Financial Reports
4. Drug-Free Workplace

Specific Requirements

1. Allowed and Disallowed Costs
2. Special Tests and Provisions

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
(CONCLUSION)

However, I believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of the Board of Aldermen, management of the Village of Slaughter, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in dark ink, appearing to read "R. L. [unclear]", is written in a cursive style on the right side of the page.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)

monthly meeting which would give the Board of Aldermen an opportunity to ratify the action taken in the payment of these routine bills. It would also document the Clerk's authority to make these payments and provide appropriate audit trail for approval for payment.

Management's Response:

This procedure has been implemented, and all bill payments are now included in a monthly report, with it submitted to the Board of Aldermen.

IV. Finding, Cause and Effect:

The Village of Slaughter has a savings account with a balance of \$180,750, as of June 30, 1966. The annual percentage rate as of that date was 2.274. The Village also has certificates of deposit in the amount of \$40,000, which pays interest at the rate of 4.254. The Village is earning significantly less interest on the savings account.

Recommendation:

The Village should consider investing a portion of the funds in the savings account in certificates of deposit with staggered maturity dates to allow for maturity of one Certificate of Deposit per month. This would provide the funds necessary for the operations of the Village and also generate a greater rate of return on the investment.

Management's Response:

The interest rates and investing practice will be reviewed and a recommendation will be provided to the Board of Aldermen.

V. Finding, Cause and Effect:

Invoices are canceled, but they do not contain evidence of the amount verification or account distribution. This could result in a loss of audit trail or overpayment of an invoice. Items tested did not reflect any errors.

PHIL T. GRAHAM

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September 26, 1994

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Mayor and
Members of the Board of Aldermen
Village of Slaughter
Slaughter, Louisiana

I have audited the general purpose financial statements of Village of Slaughter, Louisiana, as of and for the years ended June 30, 1994, and have issued my report thereon dated September 26, 1994. I have also audited the compliance of Village of Slaughter with requirements applicable to major Federal financial assistance programs and have issued my report thereon dated September 26, 1994.

I conducted my audit in accordance with generally accepted auditing standards: Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements, and about whether Village of Slaughter, Louisiana, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing my audit for the year ended June 30, 1994, I considered the internal control structure of Village of Slaughter, Louisiana, in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements of Village of Slaughter, Louisiana, and on the compliance of Village of Slaughter, Louisiana, with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to Federal financial assistance programs. I have addressed internal control

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
COMPLETED**

payment of any invoice.

Recommendation:

All invoices should be stamped to identify what portion of the invoice is to be allotted to each account. The invoice should also be totaled and a notation made by entering the person's initial below the amount to indicate that the accuracy of the invoice has been tested.

Management's Response:

As of July, 1986, the Town clerk had purchased a stamp which is now utilized to cancel invoices and show the amounts allocated to each fund.

VI. Finding, Cause and Effect

It appears that the Town has two employee bonds as follows:

policy number 0004 04 03, with Wright and Percys a \$10,000 blanket bond for the period January 9, 1986 through January 9, 1987. Another bond, Policy Number T100000, with Sun Fire/jean and Associates, Public Employee Customary Bond, in the amount of \$110,000. The policy period on this bond is July 10, 1986 through July 10, 1987.

These two policies may result in a duplication of coverage.

Recommendation:

This coverage should be reviewed with the Town's Attorney or insurance agent to determine if it is, in fact, duplicate coverage. The Town should also review other insurance policies with the Town's attorney to determine if coverage is sufficient or if duplication exists.

Management's Response:

The insurance policies will be reviewed for duplicate and adequate coverage.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
CONTINUED

VII. Finding, Cause and Effect:

The Village does have a system for the recording and accounting of fixed assets; however, a periodic inventory is not conducted to compare the fixed assets on hand with the detailed listing maintained by Village personnel. This may result in a loss of control over fixed assets.

Recommendation:

At the time of purchase, fixed assets should be tagged and added to the Village's listing of fixed assets. The list should identify the location of the assets and the responsible employee. For example, maintenance equipment should be the responsibility of the maintenance supervisor. Fire and Police equipment should be the responsibility of the respective department heads. Each of these departments should submit a physical inventory to the Town Clerk on an annual basis, at which time it should be compared to the records of the Village. Missing or unaccounted-for assets should be investigated and accounted for; assets that cannot be located should be reported to the Board of Aldermen, setting forth the facts and circumstances of the missing item.

Management's Response:

An annual inventory will be taken and differences investigated.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in accounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above.

PHIL T. GRAHAM
CERTIFIED PUBLIC ACCOUNTANT

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TELEPHONE 504/833-8888 FAX 504/833-4888

September 26, 1994

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and
Members of the Board of Aldermen
Village of Slaughter,
Slaughter, Louisiana

I have audited the general purpose financial statements of the
Village of Slaughter, Louisiana

as of and for the year ended June 30, 1994, and have issued my
report thereon dated September 26, 1994.

I conducted my audit in accordance with generally accepted
auditing standards, and Government Auditing Standards, issued by
the Comptroller General of the United States. These standards
require that I plan and perform the audit to obtain reasonable
assurance about whether the financial statements are free of
material misstatement.

Compliance with laws, regulations, contracts, and grants
applicable to the Village of Slaughter is the responsibility of the
Village's management. As part of obtaining reasonable assurance
about whether the financial statements are free of material
misstatement, I performed tests of the Village's compliance with
certain provisions of laws, regulations, contracts, and grants.
However, my objective was not to provide an opinion on overall
compliance with such provisions. Accordingly, I do not express
such an opinion.

The results of my tests disclosed no instances of
noncompliance that are required to be reported under Government
Auditing Standards.

This report is intended for the information of the Board of
Aldermen, management of the Village of Slaughter, and the
Legislative Auditor of the State of Louisiana. However, this
report is a matter of public record and its distribution is not
limited.

SINGLE SUBJECT REPORTS
OF
GENERAL PUBLIC ACCOUNTANTS

PHIL T. GRAHAM
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September 26, 1998

**INDEPENDENT AUDITOR'S REPORT ON
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

The Honorable Mayor and
Members of the Board of Aldermen
Village of Slaughter
Slaughter, Louisiana

I have audited the general purpose financial statements of Village of Slaughter, Louisiana, for the year ended June 30, 1998, and have issued my report thereon dated September 26, 1998. These general purpose financial statements are the responsibility of the Village of Slaughter's management. My responsibility is to express an opinion on these general purpose financial statements based upon my audit.

I conducted my audit in accordance with generally accepted auditing standards, Governmental Auditing Standards, issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." These standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of Village of Slaughter, taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



VILLAGE OF SLAUGHTER, LOUISIANA

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDING JUNE 30, 1988

<u>Federal Grantor Pass-Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass- Through Grantor's Number</u>	<u>Revenue at June 30, 1988</u>
Water and Waste Disposal System for Rural Communities	10.410	N/A	<u>\$ 1,352,400</u>